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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/692,029	10/19/2000	Michiya Handa	ICOR-002 CIP	5431

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PATENT DEPARTMENT
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EXAMINER

NGUYEN, NGA B

ART UNIT PAPER NUMBER

3628

DATE MAILED: 08/25/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/692,029

Applicant(s)

HANDA ET AL.

Examiner

Nga B. Nguyen

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 03 May 2004.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-19 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-19 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date 1/24/01; 3/22/02;...
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: _____

DETAILED ACTION

1. This Office Action is the answer to the Election filed on May 3, 2004, which paper has been placed of record in the file.
2. Claim 20 has been canceled. Claims 1-19 are pending in this application.

Claim Rejections - 35 USC § 102

3. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

4. Claims 1-7 and 15-19 are rejected under 35 U.S.C. 102(b) as being anticipated by Silverman et al (hereinafter Silverman), U.S. Patent No. 5,924,083.

Regarding to claim 1, Silverman discloses a method, with aid of a computer system, of tracking mutual put credit requirements for the trading of financial instruments between at least a first party and a second party, comprising:

storing a first set of mutual put requirements associated with the first party for trades with the second party (column 4, lines 57-column 5, line 18; the host 101 maintains all credit information form each trading party, e.g. the trading entity A entered credit information for trades with the trading entity B);

storing a second set of mutual put requirements associated wit the second party for trades with the first party (column 4, lines 57-column 5, line 18; the host 101

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maintains all credit information from each trading party, e.g. the trading entity B entered credit information for trades with the trading entity A);

receiving a trade indicate identifying the first party and the second party (column 8, lines 30-40; the host 101 receives an order by a trading entity); and

calculating a set of mutual put parameters based on the first set of mutual put requirements and the second set of mutual put requirements (column 6, lines 10-26; the IN 106 calculates a predetermined depth of credit-filtered orders for one or more trading instruments selected by each trading entity).

Regarding to claim 2, Silverman discloses facilitating the display of the set of mutual put parameters to the first party and the second party (column 6, lines 27-38).

Regarding to claim 3, Silverman discloses providing a confirmation screen to each of the first party and second party, the confirmation screen including the calculated set of mutual put parameters (column 6, lines 27-38; displaying credit filtered information calculated by the IN).

Regarding to claim 4, Silverman discloses receiving a confirmation indication from each of the first party and the second party (column 5, lines 17-18; trading entities may modify credit limits at any time before or during trading activities).

Regarding to claim 5, Silverman discloses the trade indication is associated with a trade (column 8, lines 30-33; receiving an order from a trading entity); the confirmation indication being selected from the group consisting of confirm the mutual put parameters, renegotiate the mutual put parameters or cancel the trade associated with

the trade indication (column 5, lines 17-18; trading entities renegotiate the mutual put parameters by modifying credit limits at any time before or during trading activities).

Regarding to claim 6, Silverman discloses in response to receiving the renegotiate mutual put parameter confirmation indication, receiving mutual put data, and verifying that the mutual put data satisfy the first set of mutual put requirements and the second set of mutual put requirements (column 5, lines 30-37).

Regarding to claim 7, Silverman discloses the first party and the second party trade a plurality of financial instruments, the method further comprising: for each the financial instrument traded between the first party and the second party, storing a first set of mutual put requirements established by the first party for trades with the second party, and storing a second set of mutual put requirements established by the second party for trades with the first party (column 4, lines 57-column 5, line 18; the host 101 maintains all credit information form each trading party, e.g. the trading entity B entered credit information for trades with the trading entity A), where by each the financial instrument traded between the first party and the second party may have different bilateral mutual put requirements (column 6, lines 10-26; the IN 106 calculates a predetermined depth of credit-filtered orders for one or more trading instruments selected by each trading entity).

Regarding to claim 15, Silverman discloses generating a report of mutual put parameters for trade entered into by the first party (column 6, lines 27-38).

Regarding to claim 16, Silverman discloses a method, with aid of a computer system, of enforcing mutual put credit requirements for the trading of financial instruments between at least a first party and a second party, comprising:

storing a first set of mutual put requirements associated with the first party for trades with the second party (column 4, lines 57-column 5, line 18; the host 101 maintains all credit information form each trading party, e.g. the trading entity A entered credit information for trades with the trading entity B);

storing a second set of mutual put requirements associated wit the second party for trades with the first party (column 4, lines 57-column 5, line 18; the host 101 maintains all credit information form each trading party, e.g. the trading entity B entered credit information for trades with the trading entity A);

receiving a trade indicate identifying the first party and the second party, said trade indication further including a negotiated set of mutual put parameters (column 8, lines 30-40; the host 101 receives an order by a trading entity; column 9, lines 9-12; each order includes a credit limit); and

verifying that said negotiated set of mutual put parameters satisfy said first set of mutual put requirements and said second set of mutual put requirements (column 6, lines 10-26; the IN 106 calculates a predetermined depth of credit-filtered orders for one or more trading instruments selected by each trading entity).

Regarding to claims 17-19, Silverman discloses a system for enforcing mutual put requirements among at least a first party and a second party trading at least one financial instruments as described in claim 1, further Silverman discloses a database,

an interface, a server coupled to the interface and the database (figure 2, the intelligent node 106), a display terminal (figure 2, the keystation 109), first and second set of mutual put requirements are stored in the database as a two dimensional table of calculated mutual put parameters (column 5, lines 5-10).

Claim Rejections - 35 USC § 103

5. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

6. Claims 8-14 are rejected under 35 U.S.C. 103(a) as being unpatentable over Silverman et al (hereinafter Silverman), U.S. Patent No. 5,924,083.

Regarding to claims 8-14, Silverman does not disclose the mutual put comprise: an option by at least one party to unwind the financial instrument in the future, a first look for exercising the option to unwind the financial instrument, a minimum and maximum period after the first look for exercising the option to unwind the financial instrument, a last time for exercising the option to unwind the financial instrument; the calculation of the set of mutual put parameters comprises: calculating the minimum of the first look of the first set of mutual put parameters and the first look of the second set of mutual put parameter; calculating the minimum of the maximum period of the first set of mutual put requirements and the maximum period of the second set of mutual put

requirements; calculating the maximum of the minimum period of the first set of mutual put requirements and the minimum period of the second set of mutual put requirements. However, those features above are well known in the art of trading financial instruments. Therefore, it would have been obvious to one with ordinary skill in the art at the time the invention was made to modify Silverman's to include the feature above for the purpose of providing the trading entity the ability to unwind the financial instrument in the future, thus the trading entity has the opportunity to evaluate the counterparty's credit worthiness at the future date.

Conclusion

7. Claims 1-19 are rejected.

8. The prior arts made of record and not relied upon is considered pertinent to applicant's disclosure:

Wilton et al. (US 6,519,574) disclose an electronic trading system includes a plurality of trader terminals for receiving credit parameter data, arbitrage parameter data, and trading data from a trading entity and displaying trade information to the trading entity.

9. Any inquiry concerning this communication or earlier communications from the examiner should be directed to examiner Nga B. Nguyen whose telephone number is (703) 306-2901. The examiner can normally be reached on Monday-Thursday from 9:00AM-6:00PM.

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If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Hyung S. Sough can be reached on (703) 308-0505.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the Group receptionist whose telephone number is (703) 306-1113.

10. Any response to this action should be mailed to:

Commissioner of Patents and Trademarks

C/o Technology Center 3600

Washington, DC 20231

Or faxed to:

(703) 872-9326 (for formal communication intended for entry),

or

(703) 308-3691 (for informal or draft communication, please label "PROPOSED" or "DRAFT").

Hand-delivered responses should be brought to Crystal Park 5, 2451 Crystal Drive, Arlington, VA, Seventh Floor (Receptionist).

Nga B. Nguyen



August 10, 2004